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**Indiana Attorney General Steve Carter files federal and state RICO  
(Racketeer Influenced and Corrupt Organization) charges against  
high-ranking City of East Chicago public officials**

*Carter seeking to recoup for taxpayers millions of dollars city officials unlawfully used to pay  
for work on public and private property*

Gary, IN – Indiana Attorney General Steve Carter announced today efforts to recoup millions of public dollars East Chicago city officials used to pay for concrete work on private property. Carter has filed civil federal and state RICO (Racketeer Influenced and Corrupt Organization) charges against 27 individuals and contractors, including East Chicago Mayor Robert Pastrick.

“Our investigation has uncovered a serpentine maze that took an incredible amount of energy and time to unravel,” Attorney General Steve Carter said. “We have found an orchestrated plan that was obvious in its intent and corrupt to its core. We are breaking the maze down and tearing apart the wall of deceit that was used to manipulate city resources for purely personal gain.”

The lawsuit maintains that public officials and contractors corrupted East Chicago city government as an enterprise for personal gain. Twenty-seven defendants are named in the lawsuit and are being pursued to repay \$3.1 million to the City. Carter has filed the lawsuit on behalf of the citizens of the State of Indiana and the citizens of the City of East Chicago.

Carter sought the advice and counsel of **G. Robert Blakey**. Blakey is a highly renowned expert in federal and state RICO laws. He is a professor of law at Notre Dame Law School in South Bend, Indiana. His experience includes:

- Drafting the original federal RICO law in 1970.
- Served as Special Attorney at the Department of Justice in the Organized Crime & Racketeering Section from 1960 to 1964, working under United States Attorney General Robert F. Kennedy.
- Professor of law and director of the Cornell Institute on Organized Crime at Cornell Law School (1973-80).

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## East Chicago

- Involved in drafting and implementing RICO-type legislation in 22 of the more than 30 states that have enacted racketeering laws.
- Argues in, or consults on, cases involving RICO statutes at both the federal and state levels, including several cases before the United States Supreme Court.

"This is a courageous use of Federal and Indiana RICO against entrenched political corruption," Notre Dame Law School Professor G. Robert Blakey added. "I am proud to be associated with the litigation and offer my assistance as it moves forward."

The lawsuit also names three prominent East Chicago officials who were members of the City Board of Public Works at the time of the concrete work: Edward Maldonado, city controller; George Weems, city director of finance; and Frank Miskowski, director of the city's department of inquiries and complaints.

The central theme of the Complaint is that high-ranking political officials of the City of East Chicago unlawfully paid millions of dollars to contractors without appropriations from the East Chicago Common Council and without complying with the state's competitive bid laws. The Complaint alleges that these acts were done for the primary purpose of re-electing Robert Pastrick as mayor. The defendants have claimed that a city sidewalk replacement program was the basis for using the funds. However this "city" program actually included private patios, porches, driveways, sidewalks and trees.

The Indiana State Board of Accounts certified an audit to the Attorney General in November 2001 outlining the misappropriation of more than \$3.1 million in East Chicago public funds for private use in connection with this scheme. In addition, according to allegations in a criminal case brought by the United States Attorney, more than \$20 million of city funds may have been involved in the scheme.

"This is just one of a series of actions that local, state and federal officials are taking to restore public confidence in local government in Northwest Indiana," Carter stated. "While unprecedented, I believe the evidence fully supports these racketeering accusations. I want the citizens of this state, and especially the citizens of Lake County, to know that corruption is not acceptable and I will not turn my back on it. These illegal actions are the kind of conduct that has stained the image and reputation of Northwest Indiana, Lake County, and the City of East Chicago for years."

The lawsuit was filed in the United States District Court in South Bend. This is the same court that is hearing criminal matters filed by the United States Attorney's Office related to East Chicago against many of the same defendants.

The Attorney General's Office continues to participate in the United States Attorney's Task Force investigating voter fraud and other corruption in Northwest Indiana.

-30-

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